LEGISLATIVE SERVICES AGENCY

OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 6682 NOTE PREPARED: Jan 1, 2014

BILL NUMBER: SB 210 BILL AMENDED:

SUBJECT: Court Reporter Licensing.

FIRST AUTHOR: Sen. Taylor BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State & Local

X DEDICATED FEDERAL

<u>Summary of Legislation:</u> The bill prohibits a person from practicing court reporting after June 30, 2015, unless the person is a licensed court reporter. The bill establishes the Court Reporter Board (CRB). The bill requires the board to determine the qualifications for licensure and establish requirements for ethical behavior and continuing education for licensed court reporters. The bill makes technical corrections.

Effective Date: July 1, 2014.

<u>Explanation of State Expenditures:</u> Development and operation of the proposed Court Reporter Board is estimated at \$69,400 during the first year of implementation. Ongoing costs are estimated at \$11,900 annually. The following table breaks down the estimated cost to establish and maintain the proposed board.

Expenditure Type	Explanation	Estimated Cost
License Development*	Salary cost to PLA to develop new license, including rule development, fiscal, and IT expenditures	\$55,500
Board Meetings	Annual cost for four board meetings (All members present)	\$4,300
Other Ongoing Costs	Cost to PLA to process licenses, collect revenue, and staff board meetings	\$7,600
Miscellaneous Costs	Instate travel for staff and purchase of unquantifiable materials and supplies	\$2,000
TOTAL		\$69,400

^{*}One-time start-up expenditures, which equates to the salary cost of PLA staff to develop the proposed court reporter license. If existing PLA staff is insufficient to develop the license, then additional staffing could be met via funded vacancies or hiring of a new staff member(s). Hiring of new staff outside the PLA's allocated budget could be accomplished via reallocation of existing funds not currently used for staff or new appropriations made by the General Assembly.

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<u>Explanation of State Revenues: Summary:</u> The Court Reporter Board would set fees for the licensure of court reporters. The increase to state revenues would depend on the fee set and the number of persons seeking licensure. There were about 698 to 710 persons employed as court reporters during 2012. The license would be under a four-year renewal cycle. Board operations, with four meetings per year, would require an estimated license fee of \$25, assuming 700 persons were licensed quadrennially.

Penalty Provision: A person knowingly practicing as a court reporter without a license would commit a Class B misdemeanor. If additional court cases occur and fines are collected, revenue to both the Common School Fund (from fines) and the state General Fund (from court fees) would increase. The maximum fine for a Class B misdemeanor is \$1,000. However, any additional revenue would likely be small.

<u>Additional Information</u>- As of the end of FY 2012, there were 698 court reporters practicing in the various circuit, superior, probate, and city and town courts within the state. U.S. Department of Labor OES statistics report 710 persons were employed as court reporters in Indiana during May 2012.

Explanation of Local Expenditures: *Penalty Provision:* A Class B misdemeanor is punishable by up to 180 days in jail.

<u>Explanation of Local Revenues:</u> *Penalty Provision:* If additional court actions occur and a guilty verdict is entered, local governments would receive revenue from court fees. However, any change in revenue would likely be small.

State Agencies Affected: Professional Licensing Agency.

Local Agencies Affected: Trial courts, local law enforcement agencies.

<u>Information Sources:</u> Professional Licensing Agency; U.S. Department of Labor, OES May 2012 Statistics; 2012 Indiana Trial Court Statistics Vol. 3; State Staffing Report.

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